

**Missing/Stolen Assets Policy**

Policy Area: <b>Accounting &amp; Financial Reporting</b>	Effective Date: <b>7/1/1995</b>
Policy Sub Area: <b>Capital Assets</b>	Last Revision Date: <b>1/22/2007</b>
Authority: <b>General Statute 114-15.1</b>	Policy Owner/Division: <b>Statewide Accounting</b>

**Policy****Missing Assets**

Management is responsible for implementing procedures for maintaining control over and the safeguarding of assets. Physical security measures over facilities and authorized personnel must be established and documented.

Capital assets are considered missing when an inventory is taken and assets on the Physical Inventory Worksheet are not found. This can occur because an asset is moved to another location but the new location is not recorded on the system before Physical Inventory Worksheets are run, or the asset could be lost.

During a physical inventory, missing assets are noted on the Physical Inventory Worksheets. After the sheets are completed, they are given to the Fixed Asset Officer for reconciliation to the system. The Fixed Asset Officer compares assets listed as missing on the Physical Inventory Worksheets at one location/division with assets found at other locations/divisions that were not listed on that location's Physical Inventory Worksheets. If there are any matches, location changes are made to the Fixed Asset System to list it properly.

If there are any missing assets after this process, the Missing Asset Form is completed by the person responsible for the asset. The form is routed through proper management levels as determined by each agency for signatures.

A fixed asset report, listing missing assets, will be available upon request for the fixed asset officer. The listing will be sent to the person responsible for the asset, who then will be required to document all the efforts made to find the missing assets. After one year, if the asset is not found, it is retired as a lost asset. The number of reviews of the missing asset listing (after the physical inventory and before the next year's physical inventory) is left to management's discretion.

## Stolen Assets

According to G.S. 114-15.1, if any state property has been stolen, the employee discovering the theft must report the theft to his/her supervisor. This is to be done as soon as possible, but no later than three days from the day of discovery. The supervisor is then to notify the head of the department, agency, or institution immediately.

**NOTE:** For agencies located in the downtown Raleigh complex, notify the Capital Police.

The head of the department, agency, or institution must notify the Director of the State Bureau of Investigation in writing within ten (10) days of being notified. The State Bureau of Investigation will then investigate the theft, if necessary. If the investigation reveals a violation of criminal laws, the district attorney will be contacted for further legal action.

The fixed asset would be retired on the Fixed Asset System with a Retirement Code of "L". Also, the General Ledger would reflect an entry to reduce the fixed asset account, if the asset was capitalized.

## Procedures

NA

## Accounting Guidance

NA

## Related Documents (Memos/Forms)

NA

## Revision History

Date	Description
01/22/2007	Policy updates